

When a Canberra sellers property report hides the truth – buyers beware

The building inspection report said the O'Connor property, on the market for \$1.2 million, was perfect—not one negative comment. Ironically this made Paul Kuske think twice. Even though the property had recently undergone major renovations, it was still built in the 1960s. 'How could it be perfect,' asked Paul?

'We had been through the house a few times. It was a nice property and mostly new,' says Paul. 'Just before we were to exchange we decided to go through again and check everything in detail. And on that inspection I noticed a cracked tile in the shower. So I re-read the building inspection report to see what was going on.'

On his second read, Paul confirmed that the inspection report had skipped over the issue of the crack—it was not included anywhere. He also noticed that the report mentioned the inspector couldn't access underneath the property and so did not inspect it, even though Paul has seen a door providing access.

Nervous about paying hundreds of thousands for a property based on a report that had proven to be inaccurate and incomplete, Paul decided to get an independent second opinion by a company engaged to work for him as buyer, not for the seller who had a vested interest in a positive report. It was the only way Paul felt he could gain peace of mind and buy with confidence.

Paul spoke to the selling agent who recommended Canberra's Surety Property Reports.

'One of the owners of Surety, Bruce Cohen, conducted the inspection and found high moisture levels in a number of walls in the house, including the shower, as well as other drainage and waterproofing issues,' says Paul. 'He found other defects also, including a fire risk caused by insulation that had not been cleared away from halogen lighting.'

Paul took the wise decision to withdraw from the purchase and he's glad he did. With heavy rains in Canberra at the time, Paul drove past the house one day and saw a massive pool of water that was likely seeping into the house. 'It was all very scary,' he says.

'In the ACT building inspectors are engaged by sellers who don't necessarily want problems pinpointed in their selling report,' says Paul. 'It's therefore in the seller's interest to engage a company that isn't thorough but this ends up being at the buyer's expense. The system needs to change.'

Paul is still looking for a property and is confident he'll find the right one. He's sure, however, that he won't proceed with any purchase solely based on a seller's inspection report. 'I'm grateful to Surety for their attention to detail and honesty,' says Paul, 'They saved me from buying a lemon and I'll be using them to conduct an independent property inspection—for me as buyer—when I find a house I'm keen to purchase.'